



BUDGET WEEK

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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Volume 4, Number 4

Summarizing budgetary issues in legislation
scheduled for the House floor


10 February 2004

Week of 9 February 2004


SUSPENSION CALENDAR

1) **Authorizing the Printing of "History of the United States Capitol" as a House Document** 
(H.Con.Res. 358).


This resolution has no budget implications.

2) **Permitting the Use of the Rotunda of the Capitol for a Ceremony as Part of the Commemoration of the Days of Remembrance of Victims of the Holocaust** 
(H.Con.Res. 359).

This resolution has no budget implications.

3) **Permitting the Use of the Rotunda of the Capitol for a Ceremony to Award a Congressional Gold Medal to Dr. Dorothy Height** 
(H.Con.Res. 357).

This resolution has no budget implications.

4) **Authorizing and Requesting the President to Issue a Proclamation to Commemorate the 200th Anniversary of the Birth of Constantino Brumidi** 
(H.Con.Res. 264).

This resolution has no budget implications.

5) **Surface Transportation Extension Act of 2004** 

This legislation provides a temporary extension of the programs authorized under the Transportation Equity Act for the 21st Century [TEA-21], including the Federal-Aid Highway program, highway and motor carrier safety programs, and transit programs. The current temporary extension expires on 29 February 2004. Current spending is assumed to continue at the same rate through the rest of fiscal year 2004 and in each of the following years. This bill does not affect outlays from direct spending – spending not subject to appropriations – or revenue. Most spending from these programs will be controlled by limits on annual obligations set in appropriation acts.

LEGISLATION CONSIDERED UNDER A RULE


Bill: **United States Patent and Trademark Fee Modernization Act of 2003** (H.R. 1561). 

Committee: Judiciary

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PLEASE NOTE: This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. **Also note:** Floor schedules and legislative details are subject to change after publication.

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

Summary:	H.R. 1561, as reported, increases the fees the Patent and Trademark Office [PTO] collects for activities related to the processing and filing of patent and trademark applications. The bill also would grant the PTO permanent authority to collect and spend those fees. Under current law, the collection and spending of those fees is subject to appropriation acts.
Cost:	The bill would decrease direct spending by \$58 million in 2004, about \$140 million over the 2004-08 period. H.R. 1561 also reduces the future need for appropriated funds for the agency's operating expenses.
Budget Act:	The bill does not violate any provisions of the Congressional Budget Act.
Bill:	<i>Social Security Protection Act of 2003</i> (H.R. 743). 
Committee:	Ways and Means
Summary:	This bill strengthens the supervision of people who handle benefit checks belonging to others, such as children. It also bars Social Security benefits to fugitives, and changes the Social Security Administration's procedures for paying attorneys who represent successful claimants. In all, the act contains more than two dozen provisions, although many would have little or no budgetary effect.
Cost:	<p>According to the most recent estimate, the bill has both on-budget and off-budget effects, resulting in a net savings when considered on a "unified" budget basis. The budget effects are as follows:</p> <ul style="list-style-type: none"> - <i>On Budget.</i> The bill causes a \$685-million on-budget cost in 2004, but produces savings thereafter. The net effect is a \$479-million on-budget increase over 5 years. - <i>Off Budget.</i> Enacting the measure will reduce spending in the Social Security Trust Fund, which is classified as off budget (meaning simply that its accounting is separated from the rest of the budget), by \$727 million in fiscal year 2004, and by \$813 million over the 2004-08 period. <p>The combination of on-budget and off-budget effects leads to a \$42 million savings, on a unified budget basis, in fiscal year 2004, and an \$334 million in savings over 5 years.</p> <p>The bill also will affect discretionary spending: implementing the bill would cost the Social Security Administration \$15 million to \$20 million a year through 2010, and smaller amounts after that, for extra enforcement and processing activities. These amounts are appropriated through subsequent measures reported by the Appropriations Committee.</p> <p>The primary budget effect is caused by a payment for "deemed military credits" owed to the Social Security Trust fund by the Federal Government. These credits allow members of the military to have certain kinds of compensation, such as housing, taken into consideration when calculating Social Security benefits. Such a payment from an on-budget account to an off-budget account, though in reality an intragovernmental transfer, must be viewed as spending for purposes of the budget resolution. This is because the Social Security Trust Fund is excluded from budget allocations and aggregates. There are also various smaller savings, in particular to the Social Security Trust Fund and the Supplemental Security Income program through cost recovery provisions and the denial of benefits to fugitives.</p>
Budget Act:	Although the bill causes net savings when considering both on-budget and off-budget effects, there is a spending increase in on-budget accounts in 2004 and over 5 years.

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Nevertheless, this does not violate section 302(f) of the Budget Act, which prohibits a committee from exceeding its allocation of budget authority, because the Ways and Means Committee still has sufficient amounts in its allocation to accommodate the additional spending. Section 13302 of the Budget Enforcement Act [BEA] prohibits an increase of Social Security benefits without a corresponding increase in revenue collected by the Social Security Trust Fund. Similarly, that section of the BEA prohibits a decrease in revenue without a corresponding decrease in benefits. Section 13302 does not apply in this case because the bill does not increase benefits nor does it decrease revenue into the Social Security Trust Fund.